

ORIGINAL

From: "Lori Fleissner" <lfeissner@globalfairwaysinc.com>
To: <Secretary@FMC.gov>
Date: 9/22/04 5:25PM
Subject: Re: FMC Petition P3-03,P5-03, P7-03,P8-03,P9-03,P1-04,P2-04,P4-04

Dear Mr. Bryant VanBrakle;

Please find attached letter on our comments regarding above Petitions.

<<Sept 2004 Letter.doc>>

Lori Fleissner
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Global Fairways will keep your shipments on course and free of the rough!

CC: "Edward Greenberg (E-mail)" <EGREENBE@GKGLAW.com>

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September 22, 2004

VIA EMAIL

Mr. Bryant VanBrakle
Secretary
Office of the Secretary
Federal Maritime Commission
Room 1046
800 North Capitol Street, N.W.
Washington, D.C. 20573

Re: FMC Petition Nos. P3-03, P5-03,
P7-03, P8-03, P9-03, P1-04, P2-04 and P4-04

Global Fairways, Inc. a small sized NVOCC with offices in Michigan, Illinois and New York agrees that there is a strong need and this is the appropriate time for the Commission to respond directly to the various exemption petitions filed by the NCBFAA and individual petitioning NVOCC's that have called for this very necessary regulatory reform.

Global Fairways has long since recognized the need for this change and is now joining with the other NVOCC's in attempting to have our voice heard with the FMC and action taken on our behalf and those of our customers. The current tariff system is archaic and in fact serves no useful purpose.

We have discussed this with many of our Customers who in fact strongly support this change. The Customers need and want the flexibility of negotiating rates with the NVOCC of their choice and being able to change and accommodate the rates to their constantly changing needs. Under the current tariff system this is sometimes impossible to accomplish.

In a world of constantly increasing costs and rates, the NVOCC community and its customers would like to see this costly and burdensome requirement changed. The current system is not only never reviewed by clients but in actuality becomes a noose around the clients neck due to the inability or inflexibility to make appropriate rate negotiations based on last minute changes in shipping circumstances.

Any rates filed in our tariff are filed because they are based on existing quotes and records between our clients and ourselves. It is the rates and quotes that are negotiated between the customers and the NVOCC that are trusted and relied upon by the Shippers/Consignees and not the published tariff filings that in fact the customers do not even access or review. Global Fairways strongly believes because such rate negotiation and quotes already exist and are a common practice that the elimination of the cost and burden of publishing electronic tariffs would not hinder nor hide any access to this information that the Commission or customers would need.

Global Fairways also firmly believes and has discussed with its clients that transforming the burden of tariff filing into service contract filing would not offer the relief that is needed. If tariff filing is changed to service contract filing this would actually increase the burden and expense of creating an actual contract. Additionally, customers do not necessarily want to enter into service contracts and are actually deterred by the word "contract". They do not want to have to sign or have their legal council have to review "contracts" and they do not want to be bound to one NVOCC by a contract. The clients want the flexibility to use the NVOCC with the best rates and this is best determined through a bid and quote process versus a contract which brings into the picture a much more expensive and cumbersome process.

The quote is what the customer reviews prior to booking a shipment and is what the customer uses as a basis to accept charges and pay invoices due. The quote is the basis that all customers seem to work from and to maintain. Thus the process of filing tariff rates and/or service contracts only adds an additional cost and burden to the process and also allows for a human error factor to enter into the picture. Should the quoted rate be then by human error misfiled in the tariff or service contract this then leads to a major stand off. Legally the tariff and/or service contract rate would have to be applied (regardless of whether they rate filed differed from the quote because of human error..i.e. typing) and yet because the customer uses the "quote" as its cost basis this is the "stand off". The customers never review the filed tariff rate nor would they have the inclination, time or expense to review service contracts but would simply stand strong on the rates in the actual quote given. We believe the quote should be the document maintained by the NVOCC for customers and/or the FMC to review for any inconsistency between what is quoted and what is ultimately collected.

Sincerely,

Lori L. Fleissner
President
Global Fairways, Inc.

CC: Edward D. Greenberg, Esq.